



Lincoln Fiber to Home Project Overview

The City of Lincoln and ALLO Communications have reached an agreement that will provide ultra-fast broadband, cable television and phone services to every home and business in the community by 2019.

ALLO is a Nebraska-based telecommunications company formed in 2003 that offers local telephone, long distance, broadband, Internet and television service. ALLO approached the City in August 2015 about a partnership to build a 100-percent fiber optics-based infrastructure in Lincoln. On November 16, ALLO became a Nelnet company, and Mayor Chris Beutler announced the City's agreement with ALLO November 17.

ALLO will lease the final remaining space in the City conduit created as part of the Lincoln Technology Improvement System, which began in 2012 in partnership with the Chamber of Commerce and other local business leaders. The City has agreed to assist ALLO in building the new infrastructure and has created three agreements to govern the construction of the system: a broadband franchise (the first of its kind in Nebraska), a cable franchise and a conduit lease agreement.

The agreement will not result in increased taxes or a bond to cover the costs.

The City's initial investment of \$500,000 per year over the next four years will be covered without raising taxes or issuing bonds. The annual investment will fund maintenance and upkeep on the Lincoln Technology Improvement System (LTIS), the City-owned conduits that will house ALLO's high-speed broadband fiber. After the fourth year, it is anticipated that revenues from the agreement between the City and ALLO will reduce the City's original and annual investment in the LTIS. All revenues generated by the agreement will be placed in the new Broadband Infrastructure Enterprise Fund for future expansion, maintenance and upkeep of the LTIS.

In addition, 100 government buildings will receive 1 Gigabit (Gb) per second service at no charge, and 50 government buildings will receive 10 Gb per second service at no charge. All government building will receive 10 Gb per second service before the end of the 25-year term. Fifteen public Virtual Local Area Networks (Public VLANs) will be available at every connection and termination point on ALLO's network. ALLO will provide 1 Gb per second service to 500 traffic lights for a one-time installation charge and no recurring charge. Replacement electronics necessary to maintain the service will be provided by ALLO at no additional cost.

This precedent-setting agreement will be the envy of every community in the nation.

The average Internet speed now available in Lincoln is between 4 and 12 Megabits (Mb) per second. ALLO will offer two levels: 100 Megabits per second (about 25 times faster) and 1 Gigabit (Gb) per second (about 250 times faster).

The agreement provides for net neutrality and no blocking, throttling, paid prioritization or data caps. The service will be provided to every residence under non-discriminatory rates, terms and conditions with no residential service contracts, installation fees or modem fees.



Up to 75 qualifying nonprofits will receive free 1 Gb per second service for 10 years. ALLO will offer a low-cost service tier with 20 Mb per second broadband for \$45 per month. ALLO will also offer a discount service tier (15 percent off the low-cost service) for those who meet the requirements of the FCC Lifeline program.

ALLO will construct and deploy up to three outdoor Wi-Fi areas at no cost to the City. Lincoln Electric System (LES) excess dark fiber and an expedited pole attachment process will be made available on a commercially reasonable basis to support public benefits program. ALLO will provide the City with quarterly reports on customer complaints received by letter, email, phone or any other medium.

The partnership between the City of Lincoln and ALLO is creating a national model for delivering “Fiber to Home” broadband infrastructure.

The most notable FTTH projects in other cities have been proposed by Google.

- Google requires free access to all City facilities. ALLO will pay all existing City facility charges.
- Google requires free use of the right of way with no construction restrictions. ALLO will follow all City of Lincoln right of way permit fees, processes and construction standards.
- Google requires free access to City conduit and fiber. ALLO will lease City conduit at a fair market rate, and ALLO and the City will jointly build a fiber lease model for LES dark fiber.
- Google requires all costs associated with inspection and oversight of the project be borne by the City. ALLO agrees to pay all costs associated with the project.
- Google has only one public benefit (300 city building connections) in the Kansas City project. The ALLO-Lincoln project has over 15 public benefits including network neutrality, no data caps, nonprofit service, a public building network, a traffic network, public VLANs and low-cost and low-income service programs.

The new partnership with ALLO will help our community prosper.

- In the next few years, ALLO will invest over \$100 million in the new broadband system, creating new jobs and spurring additional private sector investment.
- Studies show that communities with Gigabit Internet service are experiencing 1.1 percent growth in their per capita gross domestic product. This could mean \$193 million in new economic activity for the private sector in Lincoln.
- Studies conducted by the University of Colorado and Carnegie Mellon University show that high-speed Internet could increase home values.
- The new broadband system will create greater educational opportunities for students to access additional learning materials that are unavailable through slower networks.

Find out more about the partnership.

The broadband franchise, cable franchise and conduit lease agreement are available at Lincoln.ne.gov (keyword: fiber). More information is also available at GetFiberLincoln.com and AlloCommunications.com.